

FACT SHEET



JobKeeper 2.0

21 July 2020

On 21 July 2020, the government communicated the outcome of the JobKeeper Scheme review.

JobKeeper is set to continue until March 2021.

There will be some changes to both the payment amount and eligibility criteria as well as the reporting requirements. As we get closer to this time, we will provide additional information on this.

The new measures will take place from 28th September 2020 and be applicable until 28th March 2021. The qualifying date remains at the 1st March 2020.

These changes are summarised below:

- The JobKeeper Scheme will be extended for a further six months from 28 September 2020 to 28 March 2021, under a two-tiered payment system. The introduction of a two-tiered payment system is intended to address the concern that under the current \$1500 flat-payment system, some individuals were receiving JobKeeper Payments far more than their ordinary earnings (Casual Staff).
- For the first quarter of JobKeeper 2.0, being 28 September to 3 January 2021, the JobKeeper Payment will be:
 - \$1200 per fortnight for eligible employees that, in the four weeks before 1 March 2020, **were working in the business for 20 hours or more a week on average**, and for business participants who were actively engaged in the business for more than 20 hours per week.
 - \$750 per fortnight for eligible employees that, in the four weeks before 1 March 2020, **were working in the business for less than 20 hours a week on average**, and for business participants who were actively engaged in the business for less than 20 hours per week in the same period.
- For the second quarter of JobKeeper 2.0, being 4 January 2021 to 28 March 2021, the JobKeeper Payment will be:
 - \$1000 per fortnight for eligible employees that, in the four weeks before 1 March 2020, **were working for 20 hours or more a week on average**, and for business participants who were actively engaged in the business for more than 20 hours per week.
 - \$650 per fortnight for eligible employees that, in the four weeks before 1 March 2020, **were working for less than 20 hours a week on average**, and for business participants who were actively engaged in the business for less than 20 hours per week.
- From 28 September 2020, eligibility for the JobKeeper Payment will be **assessed based on actual turnover**. This change is intended to target the JobKeeper Scheme to support those businesses which continue to be significantly impacted by the COVID-19.
- To be eligible for JobKeeper Payments for the first quarter of JobKeeper 2.0, being 28 September 2020 to 3 January 2021, entities will need to meet a modified decline in turnover

test. Entities will need to show that they have met the decline in turnover test in the June and September 2020 quarters, with reference to their actual GST turnover and relative to comparable periods (generally the corresponding quarters in 2019). Existing decline in turnover percentage requirements, (ie 50%, 30% and 15%) will remain in place.

- To be eligible for JobKeeper Payments for the second quarter of JobKeeper 2.0, being 4 January 2021 to 28 March 2021, entities will need to meet a modified decline in turnover test. Entities will need to show that they have met the decline in turnover test in the June, September and December 2020 quarters, with reference to their actual GST turnover and relative to comparable periods (generally the corresponding quarters in 2019). Existing decline in turnover percentage requirements, (ie 50%, 30% and 15%) will remain in place.
- The JobKeeper Payment will remain open for new recipients that may become eligible in the extended periods.

The announcement of JobKeeper 2.0 comes some months before its operation, together with the notion that the current JobKeeper Scheme that has been in place for over three months, should reduce some of the uncertainty originally faced by employers as it allows them to consider their position beyond 27 September 2020.

The introduction of the two-tiered payment system will create greater complexity initially, so we encourage you to work with us and your financial advisors to ensure that you have got it right. You will need to nominate which tier each employee is entitled to receive; will we provide correspondence to you closer to the time to help you transition across to JobKeeper 2.0.